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RUEHLP/AMEMBASSY LA PAZ MAR QUITO 0116
RUEHSG/AMEMBASSY SANTIAGO 0283
RUEHBR/AMEMBASSY BRASILIA 6568
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TAGS: PGOV PINR PE
SUBJECT: ELECTION UPDATE: HUMALA GAINS STRENGTH AS FLORES
CONTINUES HER STEADY DECLINE

REF: LIMA 759

Sensitive but Unclassified. Please protect accordingly.

SUMMARY

¶1. (U) The latest national poll by the Apoyo consultancy, taken 3/8-10, showed center-right Unidad Nacional candidate Lourdes Flores holding on to first place amongst the "valid votes," although her support fell two points to 31 percent; ultra-nationalist Union por el Peru (UPP) candidate Ollanta Humala threatening to pass her after advancing four points to 30 percent, while APRA party candidate (and former President) Alan Garcia held steady at 22 percent. Given that this poll does not/not reflect the views of 20 percent of the electorate living in isolated rural areas, who are more likely to vote for Humala or Garcia than for Flores, it is quite possible that Humala is in the lead, with Flores and Garcia in a close battle for the second run-off slot. In the congressional race, APRA and Unidad Nacional remained in front, although both lost some support while UPP gained two points. With 41 percent of those polled still somewhat uncertain who they will vote for (down from 58 percent two weeks ago), the race to qualify for the presidential run-off remains too close to call. END SUMMARY.

THE LATEST POLL RESULTS

¶2. (U) The Apoyo poll interviewed 2000 people in 79 provinces around the country, representing 81 percent of the Peruvian population. When asked which candidate they would vote for if the election were held that day, the response was:

Lourdes Flores	31 percent (down two percent from two weeks earlier)
Ollanta Humala	30 percent (up four percent)
Alan Garcia	22 percent (unchanged)
Valentin Paniagua	5 percent (down two percent)
Martha Chavez	5 percent (up one percent)
Others	7 percent (down one percent)

The results are based on the "valid vote" count, which excludes votes cast in blank or respondents who did not name a candidate. In the Apoyo poll, 74 percent of respondents

provided "valid votes," which are the ballots that the election authorities will use to determine the final results.

Even these "valid votes" are not firm, as 41 percent of those polled said they were still uncertain who they will actually vote for (though this is down from 58 percent two weeks ago - Reftel). In terms of the total vote (including blank ballots or refusals to respond), Flores fell from 24 to 22.9 percent, Humala rose from 19 to 22.2 percent, while Garcia edged up from 16 to 16.3 percent. (COMMENT: It appears that the trend is for the former undecideds to choose Humala over the other two main candidates. END COMMENT).

¶13. (U) With none of the candidates in line to win a majority of the vote, the election will likely be decided by a second round run-off between the two candidates receiving the most votes in the first round. According to the poll results, in a run-off Flores would defeat Humala by 54-46 percent (down from 60-40 percent two weeks ago), and would defeat Garcia by 59-41 percent (down from 62-38 percent), while Humala would defeat Garcia 53-47 percent (two weeks ago they were tied).

¶14. (U) In the congressional race, the Apoyo poll indicated that APRA and Unidad Nacional remain the top two vote-getters, though each lost support over the past two weeks, while UPP strengthened its hold on third place by gaining two points. The Fujimorista Alliance for the Future picked-up three points, while Paniagua's Centrist Front fell one point and President Alejandro Toledo's Peru Posible party did the same, thereby falling to 3 percent, below the four percent minimum threshold for winning a congressional seat. The following table lists each party's support, while our

calculations of the approximate proportional number of legislative slots that each party would take are in parenthesis:

APRA	23 percent (36 seats)
Unidad Nacional	20 percent (31 seats)
Union por el Peru	17 percent (27 seats)
Alliance for the Future	9 percent (14 seats)
Centrist Front	8 percent (12 seats)

(NOTE: The congressional races will be decided on a proportional basis in each of Peru's 25 electoral districts (the 24 departments and Callao, with metropolitan Lima grouped-in with Lima Department), rather than nationwide. Thus it is possible that the final distribution of seats will differ substantially from our rough calculations on a nationwide basis. In addition, while the law provides for a four percent minimum threshold for a party to place a legislator in Congress, there is an exception for those parties who manage to elect at least five representatives in two or more electoral districts. Consequently, it remains possible that a party with less than four percent of the national vote could obtain representation in Congress. END NOTE).

COMMENT

¶15. (SBU) Continuing our horse-race comparison from the last election update (Reftel), the three front runners are entering the home stretch with Flores still in front but flagging, Humala commencing his kick and Garcia maintaining his pace. If we factor in the likely preferences of the isolated rural vote, the result could well be Humala ahead and pulling away, with Flores and Garcia at most a length apart, the latter being in a more favorable position for the stretch run. Flores is trying to re-energize her campaign with populist proposals (promising to create 650,000 jobs annually, provide health insurance for eight million people, vastly increase education spending, double police on the streets, support USD two billion in lending for micro-enterprises and USD one billion for farm lending), but

these initiatives do not/not seem to be registering with the voters. Her opponents have criticized her for making unrealistic commitments and suggested that this evidences Flores' desperation at her falling poll numbers (she has steadily dropped a point a week since her late-January high of 37 percent). Meanwhile, Humala's campaign is concentrating on solidifying his base in the southern highlands and coast, while making inroads in the poor suburban belt around Lima. Garcia is doing the same in Lima, while also focusing on reconstituting APRA's historical "solid north" in the northern coastal belt. END COMMENT.

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